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Recommendations for Effecting a More Equitable Distribution of Protein Feed Ingredients

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Numerous and increasingly insistent complaints on the part of the feed industry about its inability to obtain enough oilseed meals for current requirements have given rise to the consideration of an order restricting the use of protein meal for feed. An order limiting the quantity of protein meal used in mixed feeds during the period December 1945—February 1946 to the amounts used during the same months of the preceding year was discussed with representatives of the industry. The order also proposed to limit the production of poultry feeds during this period to the same amounts produced in the corresponding months of the preceding year in order to effect an equitable distribution of protein meal among the various classes of users.

Although the institution of such an order would bring about a more normal distribution and use of protein meals, we are very hesitant to recommend issuance of an order at a time when our efforts are directed towards the lifting of wartime Governmental controls. We want to give the industry every opportunity to solve their problem on a voluntary basis.

In order to correct the protein meal distribution difficulties on the basis of voluntary action, the industry itself must make adjustments such as the following:

- 1. Any feed manufacturer having materials on hand or bought that will enable him to produce more mixed feed than he produced in the corresponding month a year ago should require his production schedule accordingly. The manufacturer should then release to the market at least part of the materials which if the order were in force he would not be allowed to use in making mixed feeds.
- 2. The industry as a whole should take particular note of its production of poultry feeds and adjust its output for the month of December to the same level as a year ago.
- 3. Commission merchants and terminal elevators who formerly were not in the food distribution business should immediately discontinue the practice of demanding oilseed meals for oilseeds. Such a practice is not part of their normal business and only aggravates the distribution difficulties.
- 4. Country elevators should discontinue requiring that processors supply them with oil meals for the oilseeds that they are selling to the processors in excess of their immediate needs.

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The small amount of meal that is being demanded by the seed growers who supply the country elevators is justifiable. The country elevators should refrain from taking more meal than they need for their retail sales to their former customers in their own territory. The practice of accepting meal for the purpose of reselling to other feed dealers and feed manufacturers should be discontinued.

The total supply of protein feeds available in 1945-46 is sufficient to maintain production of meat, dairy, and poultry products to meet all peace-time requirements. The difficulties some users are having in securing their equitable share of protein feed ingredients can be attributed only to maldistribution. It is hoped that cooperation of the industry will make it unnecessary to issue the proposed order.



